

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1718 - HB 1560**

February 16, 2014

**SUMMARY OF BILL:** Requires the Department of Revenue to establish a program to authorize the sale of non-refundable gift vouchers in the amount of \$35 that may be redeemed by any person toward the additional fee for cultural, specialty earmarked and new specialty earmarked plates.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – Net Impact – Exceeds \$10,000/Recurring**

**Increase State Expenditures - \$641,400/One-Time  
\$70,200/Recurring**

**Assumptions:**

- Persons for whom vouchers will be purchased currently do not own cultural, specialty earmarked or new specialty earmarked license plates but own regular license plates.
- At least 1,000 vouchers for specialty plates will be purchased annually at a price of \$35 to be used as gifts for those persons purchasing regular license plates which cost \$25. The difference in the cost of the plates is \$10.
- Specialty plates purchased with vouchers will be renewed each year.
- The net recurring increase in state revenue from the sale of at least 1,000 vouchers each year will exceed \$10,000 [(1,000 vouchers x \$35 price) – (1,000 plates x \$25 cost)].
- According to the Department of Revenue, there will be a one-time increase in state expenditures of \$641,388 to develop a portal application for the sale of gift vouchers and a recurring increase in state expenditures of \$70,224 for maintenance of the portal.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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